



Schweizerische Eidgenossenschaft
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Federal Department of Foreign Affairs FDFA
Swiss Agency for Development and Cooperation SDC
Global Programme Water

CALL FOR PROPOSALS

«**Nature based solutions for water**»

Bern, Switzerland- 02.11.2018

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Abbreviations

NbSW	Nature-based solutions for water
SDC	Swiss Agency for Development and Cooperation
GPW	Global Programme Water
SDG	Sustainable Development Goal

1. Background and Introduction

Context

Rising water demand, the impacts of climate change and the need for expanding and improving water services require a massive investment in water infrastructure and management. Recent estimates about the investment needed to achieve the Sustainable Development Goals (SDGs) related to water, in particular SDG 6, put these between \$114 billion and \$ 203 billion per year between now and 2030. Most of the annual investments in water are oriented towards supply-side measures and focus on “grey” or “man-made” infrastructure, such as dams, irrigation canals, (waste) water treatment plants and sewage networks.

Nature-based solutions for water (NbSW) are increasingly recognized as a critical asset to be used in sustainable water management. The ecosystem goods and services involved can deliver a range of co-benefits such as adaptation to climate change, reduction of water-related risks, biodiversity conservation, protection of human health and growth of natural capital. Combining the delivery of water services with other co-benefits, create the potential to have nature-based solution for water stimulate economic growth and alleviate poverty. To do so, NbSW have to translate into the strengthening of existing or emergence of new businesses and create (local) jobs based on related, and often new, products and services.

With this in mind, indeed, nature-based solutions for water have a significant potential to attract investments and become part of mainstream sustainable water and landscape management and sustainable (local) supply chains. Government funds will remain the majority of financial resources available for NbSW. Given the size and scale of the investments required, however, private investments will play a key role to complement the (limited) public investment available for NbSW.

Over the last decades, nature-based solutions for water have much focused on (investments in) activities such as forest-landscape management, use of constructed wetlands and floodplains development, restoration and management. There is clearly scope for broadening this focus. As NbSW are often distributed throughout a landscape, their development and maintenance require a significant participation of stakeholders in some form of ‘collective action’. Therefore, a significant focus has to be given to involving stakeholders in the process of establishing NbSW. Involving stakeholders might include looking beyond strictly water investments. Experiences with Payment for Ecosystem Services (PES) and ‘Water Funds’ have shown that investing in NbSW often require “investments” in other community assets beyond those strictly and directly impacting water security. This can include, for example, supporting community primary health-care services or enhancing local primary school facilities. These investments are often catalytic for engaging local communities and their leaders to engage in NbSW.

Many NbSW pilots exist around the world and many of these are moving from piloting to an “early adopters” stage and becoming more ‘mainstream’. To accelerate this transition, it is important to create further awareness and acceptance for these approaches with water engineers, consultants, managers, citizens, local communities and policy and decision makers. It will also be critical to create more rigour in the monitoring, evaluation, and cost-benefit analysis of investments in green infrastructure assets (CAPEX), their management (OPEX), and the attribution to (downstream) impacts. To fully enter into the “early adopters” stage and mobilize significant public and private investments and community engagement, there is also a need to address a range of governance issues such as policies, regulations, and institutional modalities.

Over the last decade, the SDC has gained significant experience in the implementation of Payment for Watershed Services (PWS) and Investment in Watershed Services (IWS). Building on this knowledge and a sound analysis of existing experiences, a new strategy for SDC GPW Initiative on Nature-based Solutions for Water (NbSW) is developed. This strategy broadens the scope of intervention to a wider range of sustainable and green solutions across scales and institutional levels and within and across regions and globally. The new initiative aims to contribute towards a true paradigm shift and mainstreaming NbSW into water infrastructure planning and implementation processes.

2. Guiding principles

Thematic focus: Nature based solutions for water

Targeted stakeholders: Relevant local and international partners

Geographical focus: Latin America, Sub-Saharan Africa, Balkans

Line of intervention: Working for impact at global, regional, national and local level

Type of funding: Contribution to an existing or new project or programme

2.1 Objectives

The overall objective of the initiative is a water-secure world in which NbSW solutions are applied alongside human-made (grey) infrastructure solutions to benefit a range of stakeholders, at local, national, regional and global levels, including the most vulnerable people and the environment.

SDC is looking for project proposals that contribute to the achievement of the following outcomes (the more detailed remarks under each outcome shall serve more as a reference point for applicants and not a strict guideline to be followed):

Outcome 1: Demonstrations, replications and scaling-up of NbSW have created benefits for multiple stakeholders, incl. the most vulnerable people and the environment

➤ **Replication and scaling-up of tested NbsW**

Rationale: A major stumbling block in the application of NbSW is the lack of a pipeline of opportunities to support and invest in and moving from piloting to replication and scaling-up of focused NbSW interventions with clear opportunities for mobilizing additional, local and sustainable financing and benefits.

➤ **Innovation to create new multi-stakeholder initiatives on NbSW**

Rationale: Wider application of NbSW needs further innovation and co-creation with diverse stakeholders focused on multiple benefit creation and entrepreneurship.

➤ **Communities of practice to enable information sharing and supporting scaling-up mechanisms**

Rationale: Replication and scaling-up the use of NbSW requires using developed and tried-tested approaches whose documentation is scattered and not easily accessible. A global coordination mechanism/ international network of NbSW knowledge/know-how providers willing to share 'who is doing what where' that enable further collecting, synthesizing and producing new NbSW support materials and tools is required.

Outcome 2: Sound economic and financial analysis and instruments have demonstrated the value and benefits of NbSW and enabled governments, businesses and NGOs to use NbSW beneficially

➤ **Economic Cost-Benefit Analysis to substantiate NbSW public investments**

Rationale: Mainstreaming NbSW requires sound economic analysis and tools to evaluate their economic efficiency expressed as their Net Present Value in comparison to other approaches. The production, synthesis and dissemination of a series of sound economic CBA analysis of NbSW green infrastructure or a combination of green-grey infrastructure and comparison with only grey infrastructure measures with a particular focus on the added value of NbSW shall contribute to closing this gap.

➤ **Business cases for NbsW and use of environmental profit & loss account**

Rationale: For business to further engage in applying NbSW, clear business cases need to be available, including by using an environmental profit & loss account. New types of decentralized business models and social entrepreneurship in which NbSW are used to create value and tangible benefits for businesses and other stakeholders and their livelihoods across different sectors can contribute to a sound evidence base.

Outcome 3: Policies, regulations, incentives, standards and M&E/MRV systems have enabled public and private actors to use NbSW as a standard practice in water governance and management.

➤ **Sound monitoring and evaluation (M&E) basis to build trust in NbSW**

Rationale: M&E systems are insufficiently sound, flexible and practical to build trust. A practice NbSW - M&E manual with a sound scientific basis applicable for a range of NbSW.

➤ **Regulations to promote and remove obstacles for the use of NbSW**

Rationale: Regulation on water resources and water services that allows the use of NbSW is insufficiently developed or current regulation does not allow use of and investment in NbSW

➤ **Engineering standards and norms to accelerate use of NbSW**

Rationale: Mainstreaming NbSW requires water engineers to have confidence in the applied NbSW methods, their rigor, their results, their safety --> Development and dissemination of new and existing engineering standards on various elements of NbSW and ensuring adoption by national engineering (chartered) institutions.

➤ **Business standards for implementing and reporting on the use of NbSW**

Rationale: Mainstreaming NbSW requires businesses to see the benefits of adopting NbSW approaches in their approach to water management. Methodologies, metrics and standardisation of the assessment, use and measuring, reporting and verification (MRV) of NbSW focused on creating shared value can contribute to informed decision-making of businesses.

Outcome 4: Water decision making, action planning and management practices have incorporated NbSW due to an increased awareness, understanding, capacity and willingness of key stakeholders.

➤ **Government decision makers, planners and their engineering and consultant advisors**

Rationale: The majority of NbSW investment are done and will be done with public means, requiring those taken decisions on public water management to be fully informed about the opportunities provided by NbSW. Well-structured information on NbSW including proposals for clear follow-up actions by government administrations to support preparing and proposing action lines to decision makers can support informed decision-making.

➤ **Sustainable business executives and their advisors**

Rationale: Managing business risks is a key-driver for business action. Businesses are exposed to water risks worldwide, particularly through to their global supply chains and changing consumer behaviour. NbSW plays an important role but is currently under-represented in businesses management of water-related risks and opportunities. Well-structured business cases and financially-robust information on the assessment and use of NbSW (in combination with grey-infrastructure) creating business and stakeholder benefits could trigger private sector engagement.

➤ **Civil society, CBOs and NGOs**

Rationale: NGOs, CBOs and other civil society organizations continue to play a catalytic role in the promotion of the development and use NbSW and in building an international NbSW “brand value”.

➤ **Young Water Professionals and their professors**

Rationale: Younger generations, in particular Young Water Professionals are well-aware and highly interested in using a new paradigm and sustainable practice for future water management, which should be adequately reflected in learning materials..

A special emphasis shall be placed on socio-economic benefits for marginalized/ poor people and involving youth throughout the initiative. Other, innovative ideas with a close link to the proposed outcomes are welcome.

2.2 Strategic linkages

The Swiss Agency for Development and Cooperation (SDC) is well known and appreciated for its long lasting support and its innovative and comprehensive approaches in water-related projects. For more than 40 years, the SDC has supported partner countries in developing their water and sanitation as well as water resources management programmes, strategies and policies. It has successfully explored new thematic fields such as water diplomacy & security and water economics, and it has been influential and functional in shaping global developments like the Blue Peace movement and advocating for a dedicated water goal in the 2030 Agenda¹. Water is today one of the priority themes of SDC and its different domains (Global Cooperation, South Cooperation, Cooperation with Eastern Europe, and Humanitarian Aid). The [Dispatch on International Cooperation 2017-2020](#) highlights the importance of sustainable management of and access to natural resources, including water, as a means to reduce inequalities, improve living conditions and create better prospects for populations in developing countries.

The Global Programme Water (GPW) allows developing solutions to global challenges through worldwide political dialogue paired with global projects fueling innovation and know-how sharing. Through this, it brings hands-on field experience to the international policy dialogue. Moreover, by linking dialogue and action, the GPW promotes the creation and exchange of knowledge on the multifaceted interplay between water and development. The programs, projects and contributions of the GPW respond to major global challenges related to the management of water resources. The initiatives in place are geared towards delivering responses in reducing global risks and ensuring water security worldwide focus with a clear focus on inequality and poverty. Through its expertise and networking, the GPW acts as a catalyst effective in promoting policy changes and fostering the implementation of innovative solutions.

The initiative on NbsW has to be in line with the Strategic Framework 2017-2020 of the SDC Global Programme Water (see Annex 4), specifically with its component 2, which states: The GPW supports the acceleration of the implementation of SDG 6 by developing innovative solutions for the valuing of water,

¹ A short overview of SDC's work related to water is provided on this website: <https://www.eda.admin.ch/deza/en/home/themes-sdc/water.html>
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sustainable financing, technologies, sustainable service delivery and water management models. Outcome 2 of this component specifically refers to concepts and tools for sustainable financing and for the valuing of water and related eco-systems that contribute to the implementation of SDG 6.

The expected output in the SDC GPW Strategy 2017-2020 relevant for NbSW is: Concepts and tools for the valuation of water, including nature-based solutions for water and ecosystems (e.g. green infrastructure) are developed and applied, taking into account the most vulnerable people.

2.3 Geographic focus

The initiative should have a focus on Latin America (specifically Peru and Colombia), Africa and Balkans (especially Macedonia). It shall be relevant at local level and have a clear link to policy frameworks at national, regional and global levels.

3. Application details

3.1 Who can apply

The applying organizations have the necessary expertise, capacity, network and experience and a strong track record in the field of nature based solutions for water. Applications by consortiums², with experience in the above mentioned field and which are able to develop and implement projects of similar volume and complexity, are encouraged. In case of a multi beneficiary contribution (consortium), the lead organization is the coordinator of a consortium established between several applicants, submitting a joint proposal. The lead applicant will be the intermediary for all communication between the co-beneficiaries and the SDC and responsible for supplying all documents and information to the SDC.

3.2 What kind of project can be funded

Public - Private - Development - Partnerships and multi-stakeholder approaches are encouraged. Exclusive research projects will not be considered.

3.3 Duration

The first phase of the project shall last 3 years (2019 – 2022), followed by a possible second and third phase until 2027. The technical and financial proposal shall mainly focus on the first phase (2019-2022) of the project, but include a long-term vision for the three phases including a cost estimation for the potential phases II and III.

3.4 Funding

SDC's contribution will indicatively range between CHF 2'500'000 – CHF 3'500'000 for the first phase of the project. The annual contribution will decrease in the potential subsequent phases. SDC's contribution will cover a maximum of 50% (co-financing) of the total cost for each project phase. A contribution of up to a maximum of 80% (co-financing) may be considered for applicants legally based (headquarter) in least developed countries (LDCs) or low- and middle income countries (LMICs)³. In case of a consortium, all members of the consortium must be legally based (headquarter) in LDCs or LMICs to possibly benefit from a contribution of up to 80% (co-financing).

The presented budget shall include the full cost of the project phase I and show all costs and all sources of finance. It shall also include a cost estimation for the potential subsequent phases.

There is no remuneration for the submission of proposal.

² For example relevant local and international partners (e.g. civil society organizations, conservation NGOs), local/regional/multinational private sector, local and national governments, intergovernmental organizations or regional collaboration mechanisms

³ according to the OECD DAC List of ODA Recipients (http://www.oecd.org/dac/financing-sustainable-development/development-finance-standards/DAC_List_ODA_Recipients2018to2020_flows_En.pdf)

3.5 Contractual aspects

The Subsidy Act and the conditions of the Federal Department of Foreign Affairs regarding contributions are applicable.

By submitting a proposal, the applicant accepts without reservation the enclosed standard contracts (i.e. Federal contribution for project incl. GCB; Contribution outside Switzerland; see annex on the website).

4. Submission procedure

- All information about this call for proposals is publicly available on SDC's RésEAU network website: <https://www.shareweb.ch/site/Water>.
- Questions related to the call for proposals shall be submitted until 30 November 2018 by email to the following address: water@eda.admin.ch with the subject: Nature-based solutions for water. All questions and relative answers will be anonymously and openly available on the RésEAU website, and weekly updated.
- The proposals have to be submitted by 21 January 2019 08:00 CET latest to the following email address: water@eda.admin.ch with the subject: Nature-based solutions for water.
- Validity of proposals: 180 days after deadline for submission of proposals.

The proposal must fulfil the following criteria for a successful submission:

- The proposal is submitted in English.
- A minimum of point 10 font size and 1.5 line spacing must be used.
- The proposal must be submitted by email (deadline 21 January 2019 08:00 CET).

4.1 Guidelines for the writing of the proposal

Please respect the following structure for your pre-proposal:

Chapter	Description	No. pages max
-	Cover letter with signature(s)	1
-	Table of contents	1
01	Filled form "Applicant information" given in Annex 1	-
02	Summary of the proposal (technical and financial)	0.5
03	Technical proposal <ul style="list-style-type: none">• Description of approach, proposed strategy of intervention, impact hypothesis or theory of change, long-term vision• Expected results to be achieved during phase I (2019-2022), and if applicable of the results achieved so far• Sustainability of the project and scaling up• Description of direct and indirect partners and beneficiaries• Assessment indicating opportunities and risks and the means identified for addressing them• Set up of the project including composition of the consortium and organizational structure	6
04	Financial proposal <ul style="list-style-type: none">• Budget including amount and source/share of co-financing according to form given in Annex 2 "Budget project contribution", not exceeding the maximum budget indicated in chapter 3.4	-

Chapter	Description	No. pages max
05	References and track records of similar projects in in the thematic fields of the project proposal	1
06	Annexes <ul style="list-style-type: none"> • Abbreviations • Acceptance GCB 	2

Additional annexes or links to further documents are not allowed.

4.2 Timetable

Date / Deadline	Activity
02.11.2018	Call for proposals opening
30.11.2018	Deadline submission of questions by email: water@eda.admin.ch
21.01.2019, 08:00 CET	Deadline for submission of complete proposals by email: water@eda.admin.ch
January 2019	Evaluation of submitted proposals
February – March 2019	Oral presentations and negotiations (remain reserved)
March 2019	Evaluation decision
March 2019	Communication on decision to all applicants
April – July 2019	Development of a full proposal to be considered for funding by SDC
August 2019	Signing of Contract between SDC and implementing organization, subject to approval by SDC
01.09.2019	Start of phase 1

5 Selection of projects; evaluation criteria

5.1 Eligibility check

An evaluation committee setup by SDC, will check whether the proposals meet the formal criteria as described in the chapters 4.1 and 4.2. Proposals that do not meet the formal criteria will not be evaluated. The committee will then evaluate all the eligible proposals according to the criteria described in the chapter 5.2.

5.2 Evaluation

SDC selection criteria (not listed in the order of priority):

- Thematic relevance and interest
- Originality of the aims and objectives
- Impact of outcomes on improving the quality of life, contributing to socioeconomic development, and /or solving prevailing social issues

- The comprehensiveness and consistency of the chosen modalities and approaches related to nature based solutions for water;
- The way vulnerable and marginalized groups are engaged and empowered as key stakeholders of the project;
- The way youth are engaged and empowered;
- The way relevant regulatory institutions are being addressed and can be complemented;
- knowledge sharing efforts in bringing experience from the field to the regional and/or global level and in contributing to policy influencing);
- Feasibility of the project;
- Potential for the approach to be scaled up/scaled out;
- Strategy for sustainability and phasing out
- Composition of the applicants as consortia of different stakeholder groups. The different consortia partners should complement each other and ensure coherence and competence in all related fields, including the generation of public and private benefits.

Proposals will be reviewed according to international peer review standard procedures. The following table provides an overview of the evaluated criteria and the corresponding weighting:

C	Criteria	Weighting
Technical Proposal		
C1	Demonstrated thematic expertise/qualification/capacity/achieved results and institutional network	20%
C2	General approach, relevance and probability of success	50%
Financial Proposal		
C3	Clarity of the proposition, full character of the cost structure (personnel, material, traveling and other costs) and allocation to various lines of action, realistic estimation of the costs	10%
C4	Relation of estimated costs to expected outcomes of the project proposal (Cost/Benefit ratio)	10%
C5	Reliable source of co-financing and % of co-financing	10%

Each criterion (C) will be evaluated according to the following score table:

Score	Fulfilment and quality of the criteria	
0	Cannot be established	<ul style="list-style-type: none"> • Information has no significance.
1	Very bad fulfilment	<ul style="list-style-type: none"> • Information is insufficient. • Data quality is very poor.
2	Bad fulfilment	<ul style="list-style-type: none"> • Information relates inadequately to the requirements. • Data quality is poor.
3	Average fulfilment	<ul style="list-style-type: none"> • Information globally responds inadequately to the requirements. • Data quality is adequate.
4	Good fulfilment	<ul style="list-style-type: none"> • Information focuses well on requirements • Data quality is good.
5	Very good fulfilment	<ul style="list-style-type: none"> • Information clearly relates to the achievement of outputs • Data quality is excellent.

5.3 Oral presentation and negotiation (remain reserved)

In case of high quality proposals with similar scoring, SDC reserves the right to invite the concerned applicants (maximum of 5 proposals) for an oral presentation (phone or video conference) to a selection committee of SDC. The oral presentation will tentatively take place in February/March 2019.

6 Communication of SDC decision and next steps

6.1 SDC decision

The evaluation committee at the SDC decides about the projects based on the proposals. SDC reserves the right not to select a proposal. There is no right to appeal.

The evaluation results will be communicated to the applicants as soon as the final decision is taken (March 2019).

6.2 Full project proposal development

The selected project would be expected to start at 1 September 2019 and the winning consortium would in the meantime (April-July) elaborate the full project proposal.

7 Further conditions for the submission of a proposal

7.1 Contractual aspects

By submitting a proposal, the applicant accepts without reservation the general conditions for contracts concerning federal contributions for projects (Annex 3). In addition the applicant agrees with the following:

a) Project progress reporting

Technical reporting: The contracted organizations are required to send technical reports to the SDC every 6 months on progress and at the end of the project on the overall project. These reports inform the SDC about the progress and milestones achieved in the project. Specific outputs from the project should be included (e.g. publications).

Financial reporting: The contracted organizations are required to send financial reports every 6 months and at the end of the project, justifying the use of the funds.

The SDC has to be informed about any changes affecting the grantees (e.g. moves, changes to employment terms).

b) Payments

Payments are made in several instalments including a first advance payment at the signing of the contract and following payments after the reception and acceptance of progress and final reports.

c) Publication and application of results

Acknowledgement of support: whenever results generated by SDC funded project are published (for example in journals, patents, presentations, etc.) the applicants should bring attention to the financial support provided by the SDC. This may imply a written acknowledgment and/or visible SDC logos:

'The research leading to these results was funded by the Swiss Agency for Development and Cooperation'.

The SDC may publish information on projects, which it supports financially. This could include the name and affiliation of the applicants and host institution, the project's objectives and the amount of funding awarded.

7.2 Contact persons and information

For questions concerning the submission and evaluation procedure, please contact the SDC Global

Programme Water mentioning in the subject, the title of the call for proposal: water@eda.admin.ch.

8 List of annexes

No.	Annexes
1	Form «Applicant information»
2	Form «Budget Project contribution»
3	General conditions for contracts concerning federal contributions for projects
4	Strategic Framework 2017-2020 SDC Global Programme Water